

3 November 1949

MEMORANDUM FOR RECORD

Executive Secretary

O-7433

AT

SUBJECT: [REDACTED] - Office visit, 2 November 1949

1. [REDACTED] Street, New York City. He is employed as an economy statistician.

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2. [REDACTED] has been endeavoring to get someone interested in furthering an idea that he has for obtaining information and fighting Communism. He has talked with General Donovan on this matter on several occasions, and the General has promised to talk with the President [REDACTED] and the Secretary of State about it, but he believes that nothing has been done. He has discussed this matter with Allan Dulles, who feels that this is a project which should be implemented.

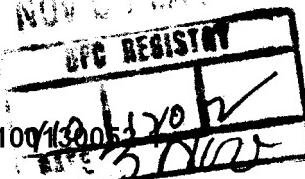
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3. [REDACTED] feels very strongly that now is the time to encourage groups in Satellite countries who have a vivid desire to fight the Russian regime. However, it is necessary, in order to further these undertakings, that monies be made available to them. He stated that he had been unable to determine who in the Government should be responsible for such an activity. He realizes, of course, that perhaps CIA could finance such a project but that we would want to control the groups to whom monies are advanced. This, he feels, handicaps the groups as they will lose their initiative and, consequently, greatly decrease their value as a fighting force since they will then become subjected to a leader.

4. He is of the opinion that we should not delay as the few loopholes that exist through which contact can be made with the right groups will soon be plugged. For instance, he mentioned Eastern Germany which, in his opinion, will in a short while be under strict control of the Russians, with the exception of a small portion of Berlin. He advanced the statement that all the troops on the border of Eastern Germany and in Berlin which have had any contact with the Western Allies have now been replaced by troops which are completely dominated by the Russian doctrine.

5. The small groups of refugees from the Satellite countries, either in England, France, or in the United States, soon become accustomed to the American way of life and become so satisfied with their new mode of living that they lose their fighting spirit.

6. He has been convinced, from his dealings with the businessmen around Wall Street, that the American people will not tolerate much longer the \$15,000,000,000 budget of the Armed Services and the six or seven million dollars to aid Europe. Consequently, he has no doubt



- 2 -

but that appropriations will gradually be cut every year to the point where the Armed Services will operate only at a minimum. This, he said, is what Stalin is hoping for. Therefore, he is strongly favoring investing a few million dollars to aid these groups, which is a very small percentage as compared to the amount we spend for arms.

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7. [redacted] was thanked for coming in and assured that his advice was greatly appreciated and that his suggestions would be given to the Director to see if there was anything that we could do in that direction.

25)

[redacted]
Personal Assistant
to the Director

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